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ADOPTION OF THE REPORT OF THE COMMITTEE ON ITS THIRTY-FIRST SESSION

Draft report

Addendum

Rapporteur: Mr. Boris GOUDIMA (Ukrainian Soviet Socialist Republic)

III. PROGRAMME QUESTIONS

Proposed programme budget for the biennium 1992-1993

Introduction and overview

1. The proposed programme budget for the biennium 1992-1993 was introduced by the Secretary-General to the Committee at its 18th meeting on 23 May 1991.

2. At its 18th to 30th meetings, on 23 to 31 May, the Committee considered the Introduction to the proposed programme budget for the biennium 1992-1993.

3. The Committee expressed its appreciation to the Secretary-General for personally introducing the proposed programme budget for the biennium 1992-1993.

Discussion

4. A number of delegations considered that the Introduction provided a comprehensive overview of the main characteristics of the proposed programme budget. It was a positive step in the search for the transparency and conciseness which would facilitate the review of the programme budget.

5. Several delegations expressed concern at the proposed rate of real growth of 0.9 per cent. They pointed out that the Secretary-General, in his proposed programme budget outline for the biennium 1992-1993, had projected such growth at zero per cent. They also noted that the overall level of resources requested by the Secretary-General was below the adjusted preliminary estimate at 1992-1993 prices indicated in General Assembly resolution 45/255.

6. Other delegations stressed that the Secretary-General's proposals for growth should be viewed in the light of the level of resources necessary for achieving the Organization's objectives and implementing its mandated activities. They added that the estimate provided by the outline was purely indicative.

7. The methodology of the programme budget was seen by a number of delegations as too complex. The need was emphasized for a simpler approach, which would facilitate a comparison between the outline and the programme budget. A revised methodology should also permit a more realistic calculation of the rate of growth and an easier comparison between the current and the proposed programme budgets. In this context, several delegations expressed their concern at the error which had been made when the proposed outline had been recosted from revised 1991 to 1992-1993 prices.

8. Other aspects questioned by a number of delegations were the distinction between non-recurrent and recurrent expenditures, the lack of a comprehensive treatment of inflation and currency fluctuations, and the complexity of the presentation of objects of expenditure.

9. A number of delegations noted that the format of presentation of the sections of the proposed programme budget, while improved, remained uneven. The presentation of activities within eight categories was helpful in some cases and cumbersome in others, particularly when there was a long enumeration of reports and publications. Some delegations felt that more regrouping of activities was required, while others stressed that a precise description of outputs was necessary to justify the resources requested and to facilitate the reporting on programme performance. It was also noted that in many cases the presentation of the objectives, of both programmes and subprogrammes, was too vague.

10. A number of delegations stated that the broad priority to be given to the economic development of developing countries was not adequately reflected in the proposed programme budget. The negative rates of real growth for section 15, United Nations Conference on Trade and Development and section 18, Centre for Science and Technology for Development, was regretted. Other delegations stressed that the increased resources proposed for the five broad areas of priority should have been accommodated through redeployments and the phasing out of obsolete or irrelevant activities. They pointed out that the Organization should acquire more flexibility in the budgeting and use of its resources. In this context, some delegations regretted the lack of specific references in the proposed programme budget to the continuing process of reforms called for in General Assembly resolution 45/254. Several delegations

stressed the importance of workload analyses and other management techniques which the General Assembly had requested the Secretary-General to use in the preparation of the programme budget.

11. With regard to priority-setting among subprogrammes, several delegations recalled that programmes with a single subprogramme still had to be considered as high priority. Some delegations felt that activities and outputs proposed with a low priority appeared to be concentrated in areas pertaining to economic development.

12. Different views were expressed concerning the proposed additional posts and reclassifications. A number of delegations felt that the policy of "maximum restraint" called for in resolution 45/254 had not been respected. It was stressed that in most cases adequate supporting justifications, such as workload analyses, measurement of productivity and a precise relationship with the programme of work, had not been provided. A number of delegations objected to the proposed reclassifications, which were a substitute for a proper functioning of the promotion system. Several delegations stated that all proposed additional posts and reclassifications should have been accommodated through redeployments within and between sections of the budget.

13. Several delegations queried the rationale for the transfer to the regular budget of posts currently financed by extrabudgetary resources. A number of delegations also questioned the proposed conversion of posts from temporary to established. The complexity of the terminology used for the designation of the various categories of posts was regretted.

14. While noting the progress made in the presentation of extrabudgetary resources, a number of delegations emphasized the continuing need for more transparency, particularly with regard to the role of such resources in the financing of high priority activities. It was noted that the reliability of the projections made by the Secretariat for the level of extrabudgetary resources remained questionable.

15. Several delegations noted with concern the proposed increases for consultants, contractual services, travel, and equipment. Other delegations stressed that it would be desirable to indicate more precisely the positive effects of the technological innovations programmes proposed throughout the Organization.

Conclusions and recommendations

1. General considerations

16. The Committee noted with satisfaction that the proposed programme budget had been prepared within the framework of the medium-term plan for the period 1992-1997 adopted by the General Assembly in its resolution 45/253. It also noted that the proposed distribution of resources for the biennium 1992-1993 by major programme of the medium-term plan and part of the programme budget

should enable the Organization to fulfil its objectives and mandates and respond to the increasing demands of the international community. It further noted that approximately one fifth of the resources requested by the Secretary-General corresponded to activities which were not programmed in the medium-term plan.

17. The Committee recalled that the budgetary process established by the General Assembly in its resolution 41/213 aims, inter alia, at the following: (a) a more intense participation of Member States in the preparation of the programme budget; (b) the search for the widest possible agreement on the programme budget; and (c) an increase in the efficiency of the Organization.

18. The Committee noted with regret that, for most sections of the proposed programme budget, programmes of work had not been reviewed by intergovernmental bodies. Such reviews should become systematic and should include recommendations to the Secretary-General on the proposed activities and priorities within the framework of the orientations and objectives provided by the medium-term plan. The Committee stressed that the first revisions to the medium-term plan should involve the active participation of the competent intergovernmental bodies. The Committee also stressed that, during the implementation of the programme budget, all intergovernmental bodies should fulfil their role within their terms of reference. Such a process required the active participation of the various relevant units of the Secretariat.

19. The Committee noted that the proposed programme budget was prepared within the existing structures of the Organization, including those resulting from the implementation of General Assembly resolution 41/213 and subsequent resolutions on the review of the efficiency of the administrative and financial functioning of the United Nations.

20. The Committee recommended that the General Assembly should consider the proposed programme budget within the context of a continuing search for improved efficiency in the functioning of the Organization and its capacity to fulfil its objectives and mandates. The Committee also recommended in this regard that the programme budget should be used as one of the instruments which would enhance the flexibility of the Organization and its capacity to respond effectively to changing needs and mandates.

21. The Committee, noting that the ongoing process of change and restructuring in the economic and social sectors of the United Nations might affect the proposed programme budget for the biennium 1992-1993, recalled its mandate for considering all programmes embodied in the budget of the United Nations.

2. Overall resource requirements

22. The Committee recalled that its conclusions and recommendations on the outline of the proposed programme budget for the biennium 1992-1993 had been

endorsed by the General Assembly in its resolution 45/255. In this context, the Committee had recommended that the preliminary estimate of resources presented by the Secretary-General should constitute the basis for a decision by the General Assembly; moreover, the Committee had noted that the proposed real growth, compared with the previous budget, was indicated at zero per cent.

23. The Committee noted that the total amount of resources requested by the Secretary-General was below the adjusted preliminary estimate of the outline at similar prices.

24. The Committee recommended that the General Assembly should consider those overall resource requirements in the light of the mandates and activities of the Organization to be implemented during the biennium, taking into account the recommendations of the Advisory Committee on Administrative and Budgetary Questions.

25. The Committee noted the proposed rate of real growth of 0.9 per cent and the difference between this growth and the rate mentioned in the outline. The Committee also noted the methodological difficulties that still hamper a comparison between the proposed programme budget and the outline on the basis of which the budget is to be prepared.

26. The Committee emphasized that the proposed resource requirements and rates of real growth by part and section of the programme budget should be in line with the mandates, the programmed activities, and established priorities.

27. The Committee underlined the need to adhere to all the provisions of General Assembly resolutions 45/255 on the outline, 45/253 on programme planning and 45/254 on review of the efficiency of the administrative and financial functioning of the United Nations.

28. The Committee noted the changes in the staffing table of the Organization proposed by the Secretary-General. It also noted with regret that the justifications for these changes were not fully explained and that workloads and other measures of the requirements of various units of the Secretariat remained to be developed. The Committee recommended that proposals for new posts, conversions, and reclassifications should be considered by the General Assembly in the light of the Committee's comments and recommendations on each section and in the light of the continuing search for increased efficiency in the Organization.

3. Priorities

29. The Committee recalled resolution 45/255 in which the General Assembly requested the Secretary-General to pay particular attention to five broad priority areas, as recommended by the Committee for Programme and Coordination at its thirtieth session. It noted that increases in resources had been proposed for a number of programmes and sections falling under the scope of these broad priorities. It also noted that the broad priority on economic

development of developing countries was relevant to most sections of the programme budget.

30. The Committee noted that a number of subprogrammes which received priority in the medium-term plan for the period 1992-1997 were presented with increased resources. The Committee welcomed such proposals while noting that the full implementation of many such subprogrammes, particularly in the economic and social sectors, would be dependent on the availability of extrabudgetary resources.

31. The Committee also noted the proposals made for high and low priority designations among activities and outputs. It stressed the importance of priority-setting at this level for the implementation of the programme budget and for the use of the contingency fund. It also stressed that the pertinent regulations and rules should be kept under review.

4. Methodology

32. The Committee concluded that the methodology used for the preparation of the programme budget, including its relation with the outline should be revised. The current methodology was too complex to permit a full understanding of the main features of the programme budget, of its relation with the outline, and of its relation with the previous programme budgets. A revision of the methodology should involve a clearer distinction between recurrent and non-recurrent expenditures, a clearer and more uniform presentation of objects of expenditure, and an acceptable approach to the question of the measurement of growth.

5. Format

33. The Committee took note with appreciation of the changes made in the structure of the programme budget, which reflected a closer correspondence with the major programmes and programmes of the medium-term plan. The Committee noted, however, that the quality of the narrative in various sections was unsatisfactory. The Committee recommended that further efforts should be made to specify the objectives pursued and the proposed activities, and that the relationship between regular budget resources and extrabudgetary resources should be more clearly indicated. It recommended that the presentation in the programme budget of the relationship between programmes and resources should be further improved.

6. Documentation

34. The Committee noted that, in spite of certain improvements, the question of documentation remained a cause of concern. The late issuance of some documents in all official languages had hampered the work of the Committee. The Committee recommended that this question should be studied in relation with the process of preparation of the programme budget, the scheduling of its meetings and its reporting procedures to the Economic and Social Council and the General Assembly.